

Message Text

UNCLASSIFIED

PAGE 01 STATE 233106

73

ORIGIN EB-06

INFO OCT-01 EA-10 IO-10 ISO-00 FEA-01 AGR-10 CEA-01

CIAE-00 COME-00 DODE-00 FRB-01 H-02 INR-07 INT-05

L-02 LAB-03 NSAE-00 NSC-05 PA-02 RSC-01 AID-05

CIEP-02 SS-15 STR-04 TAR-01 TRSE-00 USIA-15 PRS-01

SP-02 OMB-01 SWF-01 /114 R

DRAFTED BY EB/OT/TA:DGRIMMER:LV

APPROVED BY EB/OT:CWSCHMIDT

AGRICULTURE: DWANAMAKER

TREASURY: BBARREDA

STR: SLANDE

COMMERCE: DFELLMAN

EA/ANP: MMICHAUD

----- 091807

R 231512Z OCT 74

FM SECSTATE WASHDC

TO AMEMBASSY WELLINGTON

INFO USMISSION GENEVA

UNCLAS STATE 233106

E.O. 11652, N/A

TAGS: ETRD, GATT, NZ

SUBJECT: GATT ARTICLE XXVIII DISCUSSIONS WITH WOODFIELD

REF: WELLINGTON 3118

1. WOODFIELD, ASSISTANT DIRECTOR, TRADE POLICY DIVISION, GNZ DEPARTMENT OF TRADE AND COMMERCE, HAD MEETING WITH STATE AND COMMERCE OFFICIALS OCTOBER 17 TO REVIEW NZ PROCEDURE IN GATT ARTICLE XXVIII CASES. WOODFIELD NOTED THAT THE COUNCIL OF MINISTERS DECISIONS TO ADOPT TARIFF BOARD RECOMMENDATIONS TO CHANGE TARIFFS ARE MADE ONLY AFTER EXTENSIVE TRADE STUDIES WHICH INCLUDE PROPOSALS TO COMPENSATE FOR THE CONCESSIONS WITHDRAWN. U.S. OFFICIALS UNCLASSIFIED

UNCLASSIFIED

PAGE 02 STATE 233106

EXPRESSED UNDERSTANDING OF THE NZ NEED TO UPDATE ITS

TARIFF SCHEDULE BUT NOTED THAT THE PROCEDURES FOLLOWED BY NZ DID NOT CONFORM IN SOME IMPORTANT RESPECTS WITH GATT OBLIGATIONS. THIS IS A PARTICULAR CONCERN AS ACCORDING TO WOODFIELD SCARCELY TEN PERCENT HEADWAY MADE TO DATE IN NZ TARIFF REVIEW. SPECIFICALLY WE ASKED THAT NZ GIVE EARLY ADVANCE NOTICE OF INTENTION TO CHANGE TARIFFS (WE SUGGESTED A MINIMUM PERIOD OF 6 MONTHS ADVANCE NOTICE BEFORE SCHEDULED IMPLEMENTATION). NOTICE SHOULD BE ACCOMPANIED BY REALISTIC OFFERS OF COMPENSATION AS THIS WOULD HELP ENSURE TIMELY U.S. RESPONSE AND EXPEDITE CONCLUSION OF THE NEGOTIATIONS.

2. WOODFIELD SAID HE DID NOT THINK IT WOULD BE POSSIBLE

TO FIX A MINIMUM PERIOD FOR ADVANCE NOTICE. SINCE ARTICLE XXVIII CASES VARY GREATLY IN COMPLEXITY AND TRADE COVERED, HE SUGGESTED IT IS BETTER TO HANDLE THE NOTICE ISSUE ON A CASE BY CASE BASIS. HE AGREED, HOWEVER, THAT NZ WILL ATTEMPT TO GIVE SUFFICIENT ADVANCE NOTICE SO AS TO ALLOW ADEQUATE LEAD TIME TO NEGOTIATE COMPENSATION BEFORE TARIFF SCHEDULE CHANGES ARE IMPLEMENTED. WE AGREED ON OUR PART TO MAKE EVERY EFFORT TO SEE THAT USG RESPONSES WERE MORE TIMELY. WOODFIELD ALSO REITERATED NZ INTENT TO MAKE OFFERS OF COMPENSATION AT THE TIME OF ADVANCE NOTICE.

3. US OFFICIALS INQUIRED ABOUT THE ALLEGED DISCRETION OF NZ MINISTER OF CUSTOMS TO INCREASE DUTIES ON ITEMS WITH BOUND RATES. WOODFIELD NOTED THAT THE MINISTER OF CUSTOMS IS AUTHORIZED TO ADJUST THE EFFECTIVE DUTY RATE. THE ADJUSTMENT HOWEVER MUST BE WITHIN PARAMETERS STATED IN NZ TARIFF SCHEDULE WHICH SET THE UPPER AND LOWER LIMITS. WE QUESTIONED THE VALUE WHICH COULD BE ACCORDED CONCESSIONS INCORPORATING UPPER AND LOWER TARIFF PARAMETERS, AND STRESSED THAT BINDING OF THE UPPER LIMIT (I.E., A CEILING BINDING) IS LIKELY TO BE ONLY WAY IN WHICH U.S. WOULD BE ABLE TO ACCEPT SUCH AN OFFER FOR COMPENSATION. WOODFIELD ALLOWED THAT CONFUSION MAY HAVE ARISEN AS RESULT OF NZ NOTIFICATIONS TO GATT WHICH WERE INSUFFICIENTLY CLEAR ON THIS POINT, UNCLASSIFIED

UNCLASSIFIED

PAGE 03 STATE 233106

AND PROMISED TO LOOK INTO THIS MATTER FURTHER.

4. WE WOULD APPRECIATE EMBASSY WELLINGTON FOLLOWING UP THIS LAST POINT WITH WOODFIELD UPON HIS RETURN. WE EXPECT NZ MAY WISH TO PLACE VALUE ON LOWER EFFECTIVE RATE EVEN IF BINDING IS ONLY AT UPPER LIMIT OF MINISTER'S DISCRETION. INGERSOLL

UNCLASSIFIED

NNN

Message Attributes

Automatic Decaptioning: X
Capture Date: 01 JAN 1994
Channel Indicators: n/a
Current Classification: UNCLASSIFIED
Concepts: CUSTOMS DUTIES, IMPORTS, DEMARCHE, TRADE LAW, TARIFF NEGOTIATIONS, GOVERNMENT REACTIONS
Control Number: n/a
Copy: SINGLE
Draft Date: 23 OCT 1974
Decaption Date: 01 JAN 1960
Decaption Note:
Disposition Action: n/a
Disposition Approved on Date:
Disposition Authority: n/a
Disposition Case Number: n/a
Disposition Comment:
Disposition Date: 01 JAN 1960
Disposition Event:
Disposition History: n/a
Disposition Reason:
Disposition Remarks:
Document Number: 1974STATE233106
Document Source: CORE
Document Unique ID: 00
Drafter: DGRIMMER:LV
Enclosure: n/a
Executive Order: N/A
Errors: N/A
Film Number: D740302-1069
From: STATE
Handling Restrictions: n/a
Image Path:
ISecure: 1
Legacy Key: link1974/newtext/t19741023/aaaaasvj.tel
Line Count: 114
Locator: TEXT ON-LINE, ON MICROFILM
Office: ORIGIN EB
Original Classification: UNCLASSIFIED
Original Handling Restrictions: n/a
Original Previous Classification: n/a
Original Previous Handling Restrictions: n/a
Page Count: 3
Previous Channel Indicators: n/a
Previous Classification: n/a
Previous Handling Restrictions: n/a
Reference: WELLINGTON 3118
Review Action: RELEASED, APPROVED
Review Authority: CollinP0
Review Comment: n/a
Review Content Flags:
Review Date: 07 NOV 2002
Review Event:
Review Exemptions: n/a
Review History: RELEASED <07 NOV 2002 by shawdg>; APPROVED <10 FEB 2003 by CollinP0>
Review Markings:

Declassified/Released
US Department of State
EO Systematic Review
30 JUN 2005

Review Media Identifier:
Review Referrals: n/a
Review Release Date: n/a
Review Release Event: n/a
Review Transfer Date:
Review Withdrawn Fields: n/a
Secure: OPEN
Status: NATIVE
Subject: GATT ARTICLE XXVIII DISCUSSIONS WITH WOODFIELD
TAGS: ETRD, NZ, US, GATT, (WOODFIELD)
To: WELLINGTON
Type: TE
Markings: Declassified/Released US Department of State EO Systematic Review 30 JUN 2005